

BEST NEWSLETTER

HQ AFPC/DPCB, 550 C Street West, Suite 57, Randolph AFB TX 78150-4759

BEST Line: 1-800-616-3775 (press 2, then 2 again) – Overseas: Toll-Free AT&T Direct Access Number then 800-616-3775

Hearing Impaired: TDD 1-800-382-0893 or (210) 565-2276

FAX: DSN 665-2936 or (210) 565-2936

BEST Homepage: www.afpc.randolph.af.mil/dpc/best/menu.htm

EBIS: www.afpc.randolph.af.mil/dpc/BEST_GRB/EBIS.htm

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BEST Phone Number Update

All Air Force-serviced civilian employees (now including those in foreign areas) can contact BEST through the "up-front" Air Force Customer Service toll-free number, (800) 616-3775. Those in foreign areas will first need to dial the toll-free AT&T Direct Access Number for the country they are in.

After 31 Mar 05, the old BEST phone numbers, (800) 997-2378 and local (210) 527-2378, will no longer be available to customers, regardless of their location. Customers who dial the old numbers after 31 Mar 05 will hear a message voicing the new (800) 616-3775 number.

Dialing instructions for employees located in foreign areas:

- Find the AT&T Direct Access number for the country you are in on the AT&T website at www.business.att.com/bt/dial_guide.jsp.
- Select the country from which you are dialing and note the corresponding AT&T Direct Access Number. For example, Germany is 0-800-2255-288, Italy is 800-172-444.
- Make sure you have an outside line.
- Dial the AT&T Direct Access Number.
- An English-language voice prompt or an AT&T Operator will ask for the number you are calling.
- Enter (800) 616-3775. There is no need to dial "1" before the number.

After dialing (800) 616-3775, customers will hear "Welcome and thank you for calling the Air Force Customer Service Center." To access benefits, press 2 for Air Force-serviced civilian employee, then 2 for BEST benefits and entitlements services, and follow the prompts. Currently, the system takes you to the Air Force Personnel Center system and voicing, but within a few months we hope to load an improvement to the phone system that will take employees directly to the social security and BEST personal identification number (PIN) module.

For additional assistance with navigating the BEST phone system, including how to reach a benefits counselor, view the [BEST Telephone Menu](#).

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Calendar of Events

Thrift Savings Plan Open Season - 15 Apr 05 - 30 Jun 05

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THRIFT SAVINGS PLAN

TSP Open Seasons Eliminated 1 Jul 05

Public Law 108-469, signed into law 21 Dec 04, eliminates open seasons for regular Thrift Savings Plan contributions and the restrictions on contribution elections which are tied to open seasons. The Federal Retirement Thrift Investment Board will implement this law on 1 Jul 05.

There will be one more TSP open season: 15 Apr through 30 Jun 05. Employees may submit their contribution elections during the 15 Apr – 30 Jun 05 open season, and elections will be processed and made effective under the current rules (i.e., elections submitted 15 Apr – 11 Jun 05 will be effective 12 Jun 05, and elections submitted 12 – 30 Jun 05 will be effective at the beginning of the pay period following the one in which the election is filed.)

Beginning 1 Jul 05, elections to start, change, stop, or resume contributions may be submitted via the BEST automated web or phone system at any time and will be effective at the beginning of the pay period following the one in which submitted.

The new law does **not** eliminate the waiting period that newly hired FERS employees, and rehired FERS not previously eligible for agency contributions, must serve before they can begin to receive agency contributions.

In addition, the new law does not eliminate the requirement that participants who make in-service financial hardship withdrawals may not make TSP contributions for six months following the withdrawal. These employees will need to wait until the end of the six-month non-contribution period to make an election to resume TSP contributions.

Contribution allocations or interfund transfers can still be made at any time via the [TSP website](#) or [ThriftLine](#).

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New TSP Lifecycle Funds

Not really new "funds," the lifecycle funds are "target asset allocation portfolios" which will hold a mix of the five funds currently available. The mix of funds is chosen based on the date you expect to need your money for retirement. If that date is a long time from now, the lifecycle fund in which you invest will be more heavily weighted toward equities (stocks or stock funds). As the date you will need your money gets nearer, the allocation will be weighted more heavily toward fixed income or stable value investments (e.g., bonds or bond funds, Treasury securities).

TSP decided to develop the lifecycle funds because studies have shown that many participants do not have the knowledge, interest, or time to manage their accounts in the appropriate way. Many participants appear to either be "chasing" the latest returns or leaving their TSP accounts unattended altogether, never adjusting the allocation of their portfolios. Also, many participants leave their entire account in the most conservative fund, the G Fund, when they may need the higher potential returns of the other funds to give them the retirement income they want. With the lifecycle funds, the investments in each fund would adjust gradually and automatically to low risk funds as the date the money will be needed gets nearer.

A firm date when the lifecycle funds will be available hasn't been set yet, although the Thrift Board hopes to make them available mid-2005. At this time, however, they are still working out the details. We'll issue a bulletin as soon as a firm implementation date is set.

In the meantime, we suggest you take a look at the series of questions and answers on the lifecycle funds posted on the TSP website at <http://www.tsp.gov/curinfo/specint/LFC-Qs&As.html>.

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THRIFT SAVINGS PLAN (TSP) HEALTH INSURANCE

No Open Season for TSP Catch-Up Contributions

It's not too late to enroll to make TSP Catch-Up contributions for calendar year 2005 because Catch-Up contributions are not tied to open seasons. Eligible employees may enroll to make Catch-Up contributions for 2005, or stop, change or resume contributions, at any time between 12 Dec 04 and 10 Dec 05.

To be eligible, you must be age 50 or older (or turn age 50 during 2005) and be enrolled and contributing the maximum regular TSP contribution (10 percent for CSRS, 15 percent for FERS) or an amount that will result in reaching the annual elective deferral for regular TSP contributions for 2005, which is \$14,000.

When you enroll, you'll designate the amount you wish to contribute **per pay period**. This can be any amount as long as it does not exceed the amount of your **net** pay. The maximum you can contribute for 2005 is \$4,000. Your contributions will automatically stop when the total contributed reaches the maximum dollar amount for the year, or on the last pay date of the calendar year, whichever comes first.

Eligible Air Force-serviced civilian employees will enroll in the Catch-Up contribution program electronically through the Employee Benefits Information System (EBIS) web application or the Benefits and Entitlements (BEST) automated phone system. Phone number and web link are located at the top of the first page of this newsletter.

Remember, TSP Catch-Up contributions are **not** the same as **regular** TSP contributions, and you cannot make Catch-Up contributions by increasing your regular contributions. Additional information is available on the BEST homepage (www.afpc.randolph.af.mil/dpc/best/tsp-page.htm) and the Thrift Savings Plan Website at www.tsp.gov, or you may contact a BEST benefits counselor if you have questions.

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TSP Tax Credit

If you participated in the TSP during tax year 2004, you may be eligible for the Retirement Savings Contributions Credit, which is available to participants with an adjusted gross income of no more than \$50,000 if married filing jointly, \$37,500 if head of household, or \$25,000 if single or married filing separately. Employees with questions should consult their tax advisor or refer to IRS Form 8880.

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Verify Your Health Insurance Enrollment

Have you verified you are enrolled in the right health plan, with the correct premium deduction? If not, please do so now. Check the Deductions block of your Leave and Earnings Statement (LES) received on pay date 28 Jan 05 to verify your plan code and premium amount. If you made an Open Season change not correctly reflected on this LES or the next one, please contact a BEST benefits counselor right away.

Additionally – are you enrolled in a health plan that requires payment of membership dues? Some of the plans that require annual membership fees include the Mail Handlers Benefit Plan, Postmasters Benefit Plan, National Association of Letter Carriers (NALC), American Postal Workers Union (APWU), and the Alliance Health Benefit Plan (AHP). There are others; check your health plan brochure to make sure. Failure to pay membership dues may result in the cancellation of your health insurance enrollment.

It's also your responsibility to notify both your health plan carrier and the union/employee organization sponsoring the plan if you have a change of address. If you have questions regarding your plan's membership dues or need information about where to send those dues, contact your health plan carrier directly. The phone number is on your membership card and in your plan brochure.

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